Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

AUG 12 2009

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - *Other instructions on page 2*

5. Lease Serial No
NM 01159

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1 Type of Well
[X] Oil Well [ ] Gas Well [ ] Other

8. Well Name and No.
Sand Tank 10 Fed 1

2. Name of Operator
EOG Resources Inc.

9. API Well No.
30-015-36071

3a. Address
P.O. Box 2267 Midland, Texas 79702

3b. Phone No. (*include area code*)
432-686-3689

10. Field and Pool, or Exploratory Area
Loco Hills

4. Location of Well (*Footage, Sec., T., R., M., or Survey Description*)
330' FNL & 2300' FWL, U/L C
Sec 10, T18S, R30E

11. County or Parish, State
Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[X] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/Resume)	[ ] Water Shut-Off
[ ] Subsequent Report	[ ] Alter Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[ ] Final Abandonment Notice	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[ ] Other
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
	[ ] Convert to Injection	[X] Plug Back	[ ] Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Procedure to plug back from Bone Spring:

1. MIRU. Run mill tooth bit and scraper.
2. Set CIBP at +/- 6790'. Cap with 35' cement.
3. Perforate from 2990' to 3014'.
4. Acidize with 2500 gals 15% HCl NEFE acid.
5. Return well to production.

APPROVED
AUG 9 2009
JAMES A. AMOS
SUPERVISOR-EPS

14. I hereby certify that the foregoing is true and correct
Name (*Printed/Typed*) Stan Wagner — Title Regulatory Analyst

Signature — Date 6/16/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by — Title — Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. — Office

Title 18 U.S.C. Section 1001, and Title 43 U.S C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Sand Tank 10 Federal #1 – Loco Hill Sand Recompletion
June 9, 2009

Procedure:

1. ±1 week prior to beginning recompletion, hot oil and pump several days to clean up paraffin build up in tubing.

2. Pull test anchors. MIRU pulling unit. Set pipe racks and catwalk.

3. Check 5 1/2" x 8 5/8" annulus for any shut in pressure. Blow down the 2 7/8" tubing and the 2 7/8" x 5 1/2" annulus. Plumb a riser to the surface off of the 5 1/2" x 8 5/8" annulus after all pressures have been checked and blown down.

4. Remove wellhead and NU 3M BOP dressed with 2 7/8" pipe rams.

5. Pull out of hole with 2 7/8" tubing. Make up a 4 ¾" skirted mill tooth bit, bit sub and 5 ½" 17# casing scaper. Pick up and run in hole with 2 7/8" tubing to ±6810'. Load 5 ½" casing with fresh water as necessary. Bone Spring perforations are from 6875' to 8130' overall. Trip out of hole. Lay down excess 2 7/8" tubing. Lay down the 4 ¾" bit.

6. RU wire line with packoff. Make gauge ring run prior to setting bridge plug. Run in hole with a 5.5" 17# 10K cast iron bridge plug and CCL. Marker joint 6,111' - 6,132'. Set the CIBP at ± 6790'. Maximum of 100' above Bone Spring perforations. POOH. Lay down the setting tool and CCL.

7. Load the 5 ½" casing with fresh water. Capacity is 157.5 barrels to 6790'. Pressure test the 5 ½" casing and CIBP to 2,000 psi (28% of 5 ½" burst).

8. Run in the hole with a bailer and dump a minimum of 35' of cement on top of the 5 ½" CIBP at +/- 6790'.

9. TIH open ended to 3014'. Pump 500 gallons of inhibited 15% HCL acid. Spot acid with 13 barrels of fresh water. Top of acid at 2525' in annulus and 2245' in tubing. Load the casing with fresh water.

10. Run in hole with 4" GR-CCL gun loaded with premium charges.

    - Perforate the Loco Hill Sand from **2990' – 3014' (24', 2 spf, 120 degree phasing)**

    - Total 48 holes with 4" cased carrier gun (±0.32" hole, 16-20" penetration).

    - A 3M full lubricator will be required for pressure control. Pressure test lubricator to 2100 psi on location.

    - Perforate top down if 2 runs are required.

    - Perforation depths are from Schlumberger Platform Express Three Detector Litho-Density Compensated Neutron/HNGS log dated 02/10/2008.

11. Run in hole with production packer on 2 7/8" tubing testing to 5,000 psi below slips. Use an EOG owned packer if available (Halliburton, Peak, etc.). Packer needs to have an on/off tool with profile cut in on/off, as well as 10' pump joint with profile nipple with no/go below packer. Reverse circulate acid though 2 7/8" tubing and out of hole with 25 barrels of fresh water. Set packer at ±2850'. ND BOP, NU 5M flanged production tree. Pressure test the 2 7/8" x 5 ½" annulus to 1000 psi.

12. Load tubing with fresh water. Pump spot acid away at ½ BPM with 5 bbls of fresh water.

13. Flow/Swab well back and evaluate.

Based on evaluations of flowback, acidizing of Loco Hill Sand may or may not be necessary.

14. Acidize the Loco Hill Sand from 2990' -3014' (24' of holes) down 2 7/8" tubing with 2500 gallons of 15% HCL NEFE acid with 50 ball sealers (100% excess).

    - Desired rate = 4-6 BPM
      Obtain max possible rate at max treating pressure.

    - Maximum treating pressure = 5000 psi on tubing
      Limiting factor on max treating pressure is 5M production tree.

15. Flush to bottom perforation at 3014' with treated fresh water. Flow/swab well back until well cleans up good. SION.

16. Run in hole with tandem electronic bottom hole pressure gauges. Make stops at surface every 500' to 2500' and mid-perfs at 3002'. Pull out of hole. Rig down slickline.

17. Turn well back to production.

18. If needed, install rod pumping equipment.